

THE DEPARTMENT OF STATE

SINO-JAPANESE DISPUTE

REPORT ADOPTED ON FEBRUARY 24, 1933, BY
THE ASSEMBLY OF THE LEAGUE OF NATIONS



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ASSEMBLY REPORT

on the

SINO-JAPANESE DISPUTE

The following report was adopted by the Assembly on February 24th, 1933.

REPORT.

The Assembly, in view of the failure of the efforts which, under Article 15, paragraph 3, of the Covenant, it was its duty to make with a view to effecting a settlement of the dispute submitted for its consideration under paragraph 9 of the said article, adopts, in virtue of paragraph 4 of that article, the following report containing a statement of the facts of the dispute and the recommendations which are deemed just and proper in regard thereto.

PART I.

EVENTS IN THE FAR EAST. ADOPTION OF THE FIRST EIGHT CHAPTERS OF THE REPORT OF THE COMMISSION OF ENQUIRY. PLAN OF THE REPORT.

The underlying causes of the dispute between China and Japan are of considerable complexity. The Commission of Enquiry sent by the Council to study the situation on the spot expresses the view that the "issues involved in this conflict are not as simple as they are often represented to be. They are, on the contrary, exceedingly complicated, and only an intimate knowledge of all the facts, as well as of their historical background, should entitle anyone to express a definite opinion upon them."

The first eight chapters of the report of the Commission of Enquiry present a balanced, impartial and detailed statement of the historical background of the dispute and of the main facts in so far as they relate to events in Manchuria. It would be both impracticable and superfluous either to summarise or to recapitulate the report of the Commission of Enquiry, which has been published separately; after examining the observations communicated by the

Chinese and Japanese Governments, the Assembly adopts as part of its own report the first eight chapters of the report of the Commission of Enquiry.

It is necessary, however, to complete the statement of the Commission of Enquiry by describing the measures taken by the Council and the Assembly in connection with the various phases of the dispute, as well as certain events which do not appear in the report of the Commission, more particularly those relating to the origin of the hostilities which occurred at Shanghai at the beginning of 1932. In regard to these events, the Assembly adopts as part of its own report the reports addressed to it by the Consular Commission of Enquiry. These reports have been published separately. The story of what happened in Manchuria since the beginning of September 1932 must also be related, since the report of the Commission of Enquiry does not go beyond that date.

This brief historical summary of the development of the dispute will be found in Part II of the present report. It should be read in connection with the narrative of events given in the report of the Commission of Enquiry.

Part III describes the chief characteristics of the dispute and the conclusions drawn by the Assembly from the essential facts.

Part IV contains the recommendations which the Assembly deems to be just and proper in regard to the dispute.

PART II.

DEVELOPMENT OF THE DISPUTE BEFORE THE LEAGUE OF NATIONS.

1. *Summary of the Development of the Dispute.*

The decisions of the Council and of the Assembly in the long period which has elapsed since the dispute was first brought

before the League of Nations were determined by the evolution of the conflict in the Far East.

At the outset, the incidents with which the Council was called upon to deal when the dispute was submitted to it by China under Article 11 occurred at Mukden and in some other places in Manchuria; the Council received repeated assurances from Japan that she had no territorial designs in Manchuria and that she would withdraw her troops within the South Manchurian Railway zone, subject to the sole condition that the safety of the lives and property of Japanese nationals were assured. Such was the purport of the resolution of September 30th and of the draft resolution of October 24th, 1931. The latter, which was agreed to by all the Members of the Council except Japan, enabled the Council once again to secure pledges from the Japanese delegation.

After the rejection of this draft resolution, Japan's insistence on the need of a settlement of the fundamental questions which divided the two countries led the Council, without prejudice to the execution of the undertakings embodied in the resolution of September 30th, to put forward measures with a view to a final and fundamental solution by the two parties of the questions at issue between them. On December 10th, 1931, the Council, acting on a proposal made by Japan, decided to appoint a Commission of five members with instructions to make an enquiry on the spot and to report to the Council on "any circumstance which, affecting international relations, threatens to disturb peace between China and Japan, or the good understanding between them upon which peace depends."

Between December and March, however, there was a considerable change for the worse in the situation in the Far East. Japanese troops completed the occupation of South Manchuria and began to occupy North Manchuria. Outside Manchuria a severe conflict, involving Chinese and Japanese regular forces, was begun and carried on at Shanghai. At the same time, the reorganisation of the civil administration in those parts of Manchuria occupied by the Japanese troops resulted in the formation of an "independent State" styled "Manchukuo," which did not recognise Chinese sovereignty. The Council was henceforth asked by China to deal with the dispute, not only under Article 11, but also under Articles 10 and 15 of the Covenant. On February 19th, 1932, as the result of a request by China submitted under the terms

of Article 15, paragraph 9, the Council referred the dispute to the Assembly.

From January onwards, pending the receipt of the report of the Commission of Enquiry, without which the substance of the dispute could not be thoroughly examined, the chief concern of the Council, and subsequently of the Assembly, was to do everything in its power to stop hostilities and prevent an aggravation of the situation, while preserving the rights of the parties and the principles of the Covenant from suffering prejudice by reason of any *fait accompli*. The Assembly by its resolution of March 11th, defined the attitude of the League of Nations towards the dispute. It declared that, pending a settlement in conformity with the Covenant, it was incumbent upon the Members of the League not to recognise any situation, treaty, or agreement which might be brought about by means contrary to the Covenant of the League of Nations or to the Pact of Paris.

The hostilities at Shanghai were brought to an end, but fighting continued in Manchuria between Japanese forces or forces of the "Manchukuo" Government and irregular Chinese forces. In September 1932, some days after the signing at Peiping of the report of the Commission of Enquiry, there was a further fundamental change in the situation: the Japanese Government recognised the "Manchukuo" Government.

The report of the Commission of Enquiry could not reach Geneva before the end of September—namely, after the expiry of the time-limit of six months laid down in the Covenant for the report of the Assembly under Article 15. The Assembly, therefore, with the assent of the parties, decided on July 1st to extend the time-limit for as long as might be strictly necessary, on the understanding that such extension should not constitute a precedent. The Commission of Enquiry was thus able to complete its report on the spot, the parties to submit their observations on the report, and the Council and Assembly to examine all the material thus collected.

The examination of this material and the exchanges of views with the parties continued from the middle of November 1932 to the beginning of February 1933. After the discussions by the Council, the Assembly endeavoured, but without success, to bring about a settlement of the dispute by negotiation between the parties under paragraph 3 of Article 15, on the basis of the information and conclusions contained in the report of

the Commission of Enquiry. It has therefore adopted the present report in conformity with paragraph 4 of that article.

2. *Origin of the Dispute before the League of Nations.—Events of September 18th–19th, 1931, in South Manchuria.—First Discussions of the Council.*

China's request to the Council arose out of the action taken by the Japanese troops in Manchuria on the night of September 18th–19th, 1931.

In consequence of an incident near Mukden,* in the South Manchuria Railway zone, which is guarded by Japanese troops, the Japanese command, on the ground that military precautions were necessary, sent troops outside the railway zone, more especially to the Chinese towns in the neighbourhood of the zone and to the Chinese railway lines terminating at Mukden. The Chinese towns of Mukden, Changchun, Antung, Yingkow and others were occupied and the Chinese troops dispersed or disarmed.

On September 21st, China appealed under Article 11 of the Covenant and asked the Council to take immediate steps to prevent the further development of a situation endangering the peace of nations, to re-establish the *status quo ante* and to determine the amount and character of such reparations as might be found due to the Republic of China.

* According to the appeal addressed by the Chinese Government to the Council on September 21st, 1931, "beginning from ten o'clock on the night of September 18th, regular troops of Japanese soldiers, without provocation of any kind, opened rifle and artillery fire upon Chinese soldiers at or near the city of Mukden, bombarded the arsenal and barracks, . . . set fire to the ammunition depot" and "disarmed the Chinese troops in Changchun, Kwanchengtze, and other places" (*Official Journal*, December 1931, page 2453).

According to the version given by the Japanese army, communicated to the Council on September 26th, a patrol of seven men under a lieutenant were making reconnaissances in the railway zone north of Mukden when they heard behind them, about 10.30 p.m., a violent explosion. They turned about and some 500 metres northwards, near the place at which the explosion had occurred, they perceived Chinese soldiers in flight. The patrol at first pursued them, but found themselves under fire from soldiers under cover and then from a force of some 400 or 500 Chinese troops. The Japanese company commander promptly came up with 120 men, pursued the Chinese troops and occupied part of the Mukden North Barracks (*Official Journal*, December 1931, page 2478).

Chapter IV of the report of the Commission of Enquiry sets out in detail the events that occurred during the night of September 18th–19th, 1931, and gives the Commission's opinion on these events, accompanied by a statement of the reasons on which it is based (page 70).

On September 22nd, the Council authorised its President (the representative of Spain, M. Lerroux): (1) to address an urgent appeal to the two Governments to refrain from any act which might aggravate the situation or prejudice the peaceful settlement of the problem; (2) to seek, in consultation with the Chinese and Japanese representatives adequate means whereby the two countries might proceed immediately to the withdrawal of their respective troops, without compromising the safety of the lives and property of their nationals.

On September 29th, the President-in-Office of the Council, explaining the situation to the Assembly then in ordinary session, on the basis of information supplied by the two parties, stated that "the withdrawal of the Japanese forces to within the South Manchuria Railway zone was being carried out" and that on September 28th "the Japanese representative had announced to the Council that the withdrawal was proceeding. . . . Outside the railway zone, there only remained, apart from Kirin and Mukden, small detachments at Hsinmin and Chengchiatun for the protection of Japanese nationals against the attacks of bands of Chinese soldiers and brigands which at the same time were ravaging those districts."

Such was the position when, on September 30th, the Council adopted the following resolution:

"The Council,

"(1) Notes the replies of the Chinese and Japanese Governments to the urgent appeal addressed to them by its President, and the steps that have already been taken in response to that appeal;

"(2) Recognises the importance of the Japanese Government's statement that it has no territorial designs in Manchuria;

"(3) Notes the Japanese representative's statement that his Government will continue, as rapidly as possible, the withdrawal of its troops, which has already been begun, into the railway zone in proportion as the safety of the lives and property of Japanese nationals is effectively assured and that it hopes to carry out this intention in full as speedily as may be;

"(4) Notes the Chinese representative's statement that his Government will assume responsibility for the safety of the lives and property of Japanese nationals outside that zone as the withdrawal of the Japanese troops continues and the Chinese local authorities and police forces are re-established;

"(5) Being convinced that both Governments are anxious to avoid taking any action which might disturb the peace and good understanding between the two nations, notes that the Chinese and Japanese representatives have given assurances that their respective Governments will

take all necessary steps to prevent any extension of the scope of the incident or any aggravation of the situation ;

" (6) Requests both parties to do all in their power to hasten the restoration of normal relations between them and, for that purpose, to continue and speedily complete the execution of the above-mentioned undertakings ;

" (7) Requests both parties to furnish the Council at frequent intervals with full information as to the development of the situation ;

" (8) Decides, in the absence of any unforeseen occurrence which might render an immediate meeting essential, to meet again at Geneva on Wednesday, October 14th, 1931, to consider the situation as it then stands ;

" (9) Authorises its President to cancel the meeting of the Council fixed for October 14th should he decide, after consulting his colleagues, and more particularly the representatives of the two parties, that, in view of such information as he may have received from the parties or from other members of the Council as to the development of the situation, the meeting is no longer necessary."

The hopes of the Council were not fulfilled. On October 9th, the Chinese delegation asked for an urgent meeting of the Council on the ground that Japanese troops had begun further "aggressive military operations." The reference was primarily to the aerial bombardment of Chinchow, where, after the capture of Mukden, the provincial Government had temporarily established itself.

The Council, at its meeting in September, had decided to forward to the Government of the United States of America the Minutes of its meeting and the documents relating to the Sino-Japanese dispute, and the Government of the United States had affirmed its whole-hearted sympathy with the attitude of the League of Nations.

On October 16th, it was determined to continue to co-operate with the Government of the United States of America, which was invited to send a representative to sit at the Council table. The representative of the United States was authorised by his Government "to consider with the Council the relationship between the provisions of the Pact of Paris and the present unfortunate situation in Manchuria and, at the same time, to follow the deliberations of the Council with regard to other aspects of the problem with which it is now confronted."

On October 17th, a certain number of the Governments represented on the Council (the United Kingdom, France, Germany, the Irish Free State, Italy, Norway and Spain) decided, as signatories of the Pact of Paris,

to address an identical note to the Governments of China and Japan, calling their attention to the provisions of that Pact and more especially to the terms of Article 2, whereby "the Contracting Parties agree that the settlement or solution of all disputes or conflicts of whatever nature or whatever origin they may be, which may arise among them, shall never be sought except by pacific means."

The United States Government sent a similar note to the two Governments.

On October 22nd, the President of the Council (the representative of France, M. Briand) submitted a draft resolution upon which the members of the Council, other than the parties, had unanimously agreed.

The draft resolution, after referring to the undertakings entered into by the Governments of China and Japan in the resolution of September 30th and to the declaration of the Japanese representative that this country had no territorial designs in Manchuria, called upon the Japanese Government immediately to begin the withdrawal of its troops into the railway zone and proceed therewith so that the whole of the troops might be withdrawn before the next meeting of the Council. It called upon the Chinese Government to make such arrangements for taking over the territory thus evacuated as would ensure there the safety of the lives and property of Japanese subjects, and indicated certain measures of detail to be adopted for this purpose.

Recommendations were also made to the two Governments that, as soon as the evacuation was completed, they should open direct negotiations on all the questions outstanding between them, in particular in respect of those arising out of the recent incidents and of those relating to the difficulties caused by the railway situation in Manchuria. For this purpose, the Council suggested that the two parties should set up a conciliation committee or some such permanent machinery. Finally, it was proposed that the Council should meet again on November 16th.

On October 23rd, the representative of China accepted the draft resolution as a "bare minimum." The representative of Japan submitted a counter-draft and explained that his Government, in view of the tension in Manchuria and the state of disorder prevailing there, did not deem it possible to fix a definite date by which the evacuation could be completed. His Government regarded it as absolutely

indispensable that a calmer frame of mind should be restored and, with this object in view, had determined a number of fundamental points which should be the basis for normal relations between China and Japan. He was not authorised to set out these fundamental points in a resolution or to discuss their details at the Council table; they could better be made the subject of direct negotiations between the parties.

The Council considered that it was impossible to refer to "fundamental points" in a draft resolution without knowing what they were.

The draft resolution was not adopted, the Japanese representative voting against it (October 24th, 1931). The Council, after taking the vote, adjourned until November 16th.

The Chinese representative, after the meeting of October 24th, made the following declaration to the President of the Council on behalf of his Government:

"China, like every Member of the League of Nations, is bound by the Covenant to 'a scrupulous respect for all treaty obligations.' The Chinese Government for its part is determined loyally to fulfil all its obligations under the Covenant. It is prepared to give proofs of this intention by undertaking to settle all disputes with Japan as to treaty interpretation by arbitration or judicial settlement, as provided in Article 13 of the Covenant.

"In pursuance of this purpose, the Chinese Government is willing to conclude with Japan a treaty of arbitration similar to that recently concluded between China and the United States of America, or to those concluded of recent years in increasing numbers between Members of the League."

3. *Development of Japanese Military Operations in North Manchuria.*

After the Council meeting in October, further Japanese military operations took place in Manchuria in the neighbourhood of the bridges carrying the Taonan-Angangchi railway over the River Nonni. These bridges had been destroyed in October by the Chinese troops of the President of the Heilungkiang provincial government, General Ma Chan-shan, in order to stop the advance of General Chang Hai-peng who, according to the Chinese, had taken the offensive at the instigation of the Japanese. To justify Japanese intervention for the repair of these bridges, the Tokio Government had represented to the Chinese Government that the Taonan-Angangchi Railway had been built by the South Manchuria Company under a

contract; that the Chinese authorities had not yet paid their debt; that they had refused to convert that debt into a loan, and that the railway might therefore be regarded as belonging to the South Manchuria Company, which had a great interest in preserving the property and in maintaining traffic on the line.

On November 2nd, the Japanese Government stated that, at the request of the South Manchuria and the Taonan-Angangchi Railway Administration, a company of sappers had been sent on that day to repair the railway bridge under the protection of troops (infantry, artillery, and air forces).

The Japanese troops came into contact with the Chinese forces, which refused to retire and were driven back. In November, the Japanese troops reached and even crossed the Chinese Eastern Railway, and took Angangchi and subsequently Tsitsihar (November 19th).

4. *Measures for the Reorganisation of the Civil Administration in Manchuria.*

While military operations were thus spreading towards the North of Manchuria, progress was made with the reorganisation of the civil administration. At Mukden, in particular, after the disorganisation caused by the incident of September 18th, the administration of the municipality was first entrusted to the Japanese Colonel Doihara and later, on October 20th, to a Chinese Mayor, Dr. Chao Hsin-po, Doctor of Law of the University of Tokio. Efforts were also made to organise a Liaoning provincial administration in opposition to the former administration which had taken refuge at Chinchow. The "Committee for the Maintenance of Peace and Order," constituted on September 24th, became in October the office of the autonomous Government of the Province of Liaoning. The latter in turn was converted, on November 7th, into an acting Provincial Government of Liaoning, which announced that it was breaking off relations with the former North-Eastern Government and with the Nationalist Government at Nanking. At the same time, a Supreme Advisory Council was established, whose duties included those of directing and supervising the Provincial Government and encouraging the development of local autonomy. All the new authorities, as also the banks of issue, had received Japanese advisers, who were, in many cases, influential officials of the South Manchurian Railway.

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The representative of China insisted that the Japanese army was responsible for setting up and maintaining, at Mukden, Kirin and other points in its occupation, these new authorities, who were the "puppets and creatures of the Japanese Army Command."

The representative of Japan replied that the "Japanese authorities had no alternative but to encourage the formation by the Chinese themselves of bodies responsible for the maintenance of order. . . . The efficient performance of their duties by those bodies would make much easier the rapid withdrawal of troops, which was desired by the Japanese Government, as had been formally stated on several occasions."

Moreover, several reports from Dr. Frederick A. Cleveland, Associate Chief Inspector of the Salt Revenue, were communicated to the Council in November 1931 by the Chinese delegation. These reports stated that the Japanese military authorities were forcibly seizing the salt revenues in the Manchurian towns. It was urged in a Japanese communication that the "action of the military authorities in intervening to transfer the surplus revenues of the Chinese Salt Tax Office to another Chinese body (the local Committee for the Maintenance of Order) could not be regarded as unjustifiable."

5. *Session of the Council in November-December 1931.—Constitution of a Commission of Enquiry.*

Meanwhile, the Council met in Paris on November 16th, 1931, and, on November 21st, a Japanese proposal for a Commission of Enquiry to be sent to the Far East was put forward, "the creation and despatch of this Commission in no way modifying the Japanese Government's sincere desire to withdraw its troops as quickly as possible within the South Manchuria Railway zone in pursuance of the resolution of September 30th."

This proposal was considered, and, on December 10th, the Council adopted the following resolution:

"The Council,

"(1) Reaffirms the resolution passed unanimously by it on September 30th, 1931, by which the two parties declare that they are solemnly bound; it therefore calls upon the Chinese and Japanese Governments to take all steps necessary to assure its execution, so that the withdrawal of the Japanese troops within the railway zone

may be effected as speedily as possible under the conditions set forth in the said resolution;

"(2) Considering that events have assumed an even more serious aspect since the Council meeting of October 24th:

"Notes that the two parties undertake to adopt all measures necessary to avoid any further aggravation of the situation and to refrain from any initiative which may lead to further fighting and loss of life;

"(3) Invites the two parties to continue to keep the Council informed as to the development of the situation;

"(4) Invites the other Members of the Council to furnish the Council with any information received from their representatives on the spot;

"(5) Without prejudice to the carrying out of the above-mentioned measures,

"Desiring, in view of the special circumstances of the case, to contribute towards a final and fundamental solution by the two Governments of the questions at issue between them:

"Decides to appoint a Commission of five members to study on the spot and to report to the Council on any circumstance which, affecting international relations, threatens to disturb peace between China and Japan, or the good understanding between them, upon which peace depends.

"The Governments of China and of Japan will each have the right to nominate one assessor to assist the Commission.

"The two Governments will afford the Commission all facilities to obtain on the spot whatever information it may require.

"It is understood that, should the two parties initiate any negotiations, these would not fall within the scope of the terms of reference of the Commission, nor would it be within the competence of the Commission to interfere with the military arrangements of either party.

"The appointment and deliberations of the Commission shall not prejudice in any way the undertaking given by the Japanese Government in the resolution of September 30th as regards the withdrawal of the Japanese troops within the railway zone.

"(6) Between now and its next ordinary session, which will be held on January 25th, 1932, the Council, which remains seized of the matter, invites its President to follow the question and to summon it afresh if necessary."

The President (the French representative, M. Briand) emphasised, when he submitted the resolution, the great importance which the Council attached to its resolution of September 30th, 1931, and its conviction that the two Governments would carry out to the full the engagements which they had assumed under it. He further stated that it was indispensable and urgent that the two parties should abstain from any initiative which might lead to further fighting and from any other action likely to aggravate the situation.

The Government of the United States, on the adoption of the resolution of December

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"Desiring, in view of the special circumstances of the case, to contribute towards a final and fundamental solution by the two Governments of the questions at issue between them:

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The Government of the United States, on the adoption of the resolution of December

10th, expressed its gratification that definite progress had been made.

6. *Japanese Operations against Chinchow.—Disappearance of the Last Remains of Chinese Authority in South Manchuria.*

While the Council was drawing up the text of this resolution, the two parties repeatedly called its attention to the danger of military operations spreading to South-West Manchuria, and efforts were made to establish a neutral zone between the Japanese troops and those of Marshal Chang Hsueh-liang at Chinchow. These efforts were unsuccessful. The representative of Japan, referring at the time of its adoption to paragraph 2 of the resolution of December 10th, stated that he accepted it "on the understanding that it was not intended to preclude the Japanese forces from taking such action as might be rendered necessary to provide directly for the protection of the lives and property of Japanese subjects against the activities of bandits and lawless elements rampant in various parts of Manchuria. Such action was admittedly an exceptional measure called for by the special situation prevailing in Manchuria, and its necessity would naturally be obviated when normal conditions should have been restored in that region."

On December 23rd, a Japanese offensive was launched in the direction of Chinchow, which was occupied on January 3rd, 1932. The Japanese forces then advanced as far as the Great Wall and established contact with Japanese troops stationed at Shan-haikwan to the south of the Wall. As the result of these operations, Chinese constituted authority disappeared entirely from South Manchuria.

7. *The Shanghai Hostilities.—Origin of the Hostilities.*

Outside Manchuria from January 1932 onwards, the situation became worse also at Shanghai.

In connection with Shanghai, the League received four reports on events from their beginning up to March 5th from the Consular Commission* which was set up on the spot early in February 1932. Later events are described in the report of the Commission of Enquiry, which was constituted as already

explained in January 1932 and arrived at Shanghai on March 14th.

In this port, as in other parts of China, the serious anti-Chinese riots which had occurred in Korea, as described in the reports of the Commission of Enquiry,† led, from July 1931 onwards, to a boycott of Japanese goods. The occupation of Manchuria by Japanese troops intensified the boycott with, in certain cases, the active support of official organisations and of the Chinese Government. Japanese trade suffered heavy losses. The tension between the nationals of the two countries became acute and serious incidents occurred, as a result of which the Japanese residents in Shanghai requested the despatch of troops and warships to put down the anti-Japanese movement. The Japanese Consul-General then presented five demands to the Chinese Mayor of Greater Shanghai.

The Mayor stated on January 21st that he had difficulty in complying with two of these demands (adequate control of the anti-Japanese movement; immediate dissolution of all anti-Japanese organisations engaged in fostering hostile feelings and anti-Japanese riots and agitation).

On the same day, the Admiral in command of the Japanese naval forces publicly announced that, if the reply of the Chinese Mayor were unsatisfactory, he was determined to take such measures as might be necessary to protect Japanese rights and interests. On January 24th, Japanese naval reinforcements arrived off Shanghai. Rumours were current that the Chinese troops in the Chinese quarter of Chapei were also being reinforced. On January 27th, the Japanese Consul-General asked for a satisfactory reply to his demands by 6 o'clock on the following morning. The Mayor, who had informed the representatives of the Powers of his intention to make all possible concessions to avoid a clash, succeeded in securing the closing down of the Anti-Japanese Boycott Association, and the Chinese police sealed various offices on the night of January 27th-28th. On the morning of January 28th, the Japanese Admiral notified the other foreign commanders of his intention to act on the following morning if the Chinese had not sent a satisfactory reply. The Municipal

* The Commission consisted of the Consuls of Italy (Chairman), the United Kingdom, France, Norway, Germany and Spain. The Consul of the United States collaborated in the work of the Commission.

† The report of the Commission of Enquiry describes on page 62 *et seq.* the incidents which arose between Chinese and Korean farmers at Wanpaoshan (Manchuria) and how sensational and inaccurate accounts of these incidents provoked a massacre of Chinese in Korea.

Council of the International Settlement met and decided that a state of emergency should be declared as from 4 p.m. on the same day. At 4 p.m. the Japanese Consul-General informed the consular body that a Chinese reply accepting all the Japanese demands had been received, that this reply was entirely satisfactory and that, for the moment, no action would be taken.

Meanwhile, the Defence Committee of the International Settlement carrying out the plans called for by a state of emergency assigned to the different foreign forces the sectors they would have to defend. The Japanese sector, as fixed by the Defence Committee, included not only a part of the Settlement but a salient extending beyond it, bounded on the west by the Shanghai-Woosung Railway. The Japanese naval headquarters are situated near the northern extremity of this salient and in normal times there are posts of Japanese marines on two roads—North Szechuen Road and Dixwell Road—which belong to the Shanghai Municipal Council. At 11 p.m., the Japanese Admiral, referring to the state of emergency, announced that the Imperial Navy, anxious as to the situation in Chapei, where numerous Japanese nationals resided, had decided to send troops to this sector and hoped that the Chinese forces stationed at Chapei would be speedily withdrawn to the west of the railway.

One hour later Japanese marines and armed civilians proceeded towards the railway; the last detachment attempted to reach the station by the Honan Road gate leading out of the Settlement and the defence sectors. It was stopped by the Shanghai Volunteer Corps, who were guarding this sector and who had received strict orders based on the principle that the duty of defence forces was to defend and not to attack.

The Japanese troops sent to the Chapei sector in conformity with the plan of defence came into contact with the Chinese troops which, as the first report of the Consular Commission notes, would not have had time to withdraw even had they wished to do so.

8. *The Shanghai Hostilities.—Discussions of the Council:—Reference to Article 10 of the Covenant.—First Discussions of the Assembly under Article 15.—Termination of the Shanghai Hostilities.*

This was the beginning of the battle of Shanghai, which the Council, then in session at Geneva, and the Powers having special interests in Shanghai repeatedly endeavoured

to stop. It was immediately after the serious incidents described above that China, on January 29th, asked that the dispute should be dealt with under Articles 10 and 15.

On February 16th, the Members of the Council other than China and Japan addressed to the Japanese Government an urgent appeal calling attention to Article 10 of the Covenant from which it appeared to them to follow that "no infringement of the territorial integrity and no change in the political independence of any Member of the League brought about in disregard of that article ought to be recognised as valid and effectual by Members of the League."

On February 19th, the Council, at the request of China, referred the dispute to the Assembly. The Assembly was convened to meet on March 3rd.

The Council, before the Assembly met, made a last effort to stop the fighting by proposing on February 29th that a round-table conference should be set up in Shanghai, subject to the making of local arrangements for a cessation of hostilities.

The proposal of the Council was not carried into effect. As fighting continued, the Assembly, after hearing the representatives of the two parties on March 3rd, adopted the following resolution on March 4th:

"The Assembly,

"Recalling the suggestions made by the Council on February 29th and without prejudice to the other measures therein envisaged:

"(1) Calls upon the Governments of China and Japan to take immediately the necessary measures to ensure that the orders which, as it has been informed, have been issued by the military commanders on both sides for the cessation of hostilities, shall be made effective;

"(2) Requests the other Powers which have special interests in the Shanghai Settlements to inform the Assembly of the manner in which the invitation set out in the previous paragraph is executed;

"(3) Recommends that negotiations be entered into by the Chinese and Japanese representatives, with the assistance of the military, naval and civilian authorities of the Powers mentioned above, for the conclusion of arrangements which shall render definite the cessation of hostilities and regulate the withdrawal of the Japanese forces. The Assembly will be glad to be kept informed by the Powers mentioned above of the development of these negotiations."

On March 5th, the Government of the United States of America intimated that the American military authorities at Shanghai had been instructed to co-operate.

The proposed negotiations began at Shanghai on March 14th. On two occasions, the Committee of Nineteen set up by the

Assembly intervened, at China's request, to smooth away difficulties. An armistice was finally signed at Shanghai on May 5th and the withdrawal of the Japanese troops began on the 6th. By May 31st, the divisions sent from Japan to Shanghai had been re-embarked, one of those divisions—the 14th—being sent to Manchuria. On July 1st, the Assembly was informed that Japanese naval landing troops, with very reduced effectives, were still temporarily stationed, in accordance with the agreement of May 5th, at a small number of posts adjacent to the Settlement and to the extra-Settlement roads. These detachments were afterwards withdrawn.

The Chinese consider that the Japanese intervention at Shanghai cost them 24,000 soldiers and civilians killed, wounded or missing, and they estimate their material losses at about 1,500 million Mexican dollars.

9. *Development of the Japanese Occupation in Manchuria.—Progress of Administrative Reorganisation.—The Constitution of "Manchukuo."*

While the Shanghai affair was progressing, the situation was also developing in Manchuria.

Harbin was occupied on February 5th by the Japanese army which, during the succeeding months, continued its operations against the remnants of the former Chinese army, the "volunteers," the "brigands" and other "irregulars." Guerilla warfare continued over a very large part of Manchuria.

Progress was also made with the administrative reorganisation, the first stages of which have already been mentioned above.

On February 17th, 1932, a supreme administrative council was constituted for the whole of Manchuria, and, on February 18th, this Council published a declaration of independence. On February 19th, the Japanese representative explained at a meeting of the Council in Geneva that in Manchuria "independence" was synonymous with "autonomy" and that "Japan had favourably regarded the establishment of this independence." On March 9th, the local administrations were amalgamated as an independent "State" under the name of "Manchukuo." M. Henry Pu-yi (the former Emperor Hsuan Tung) accepted the regency of this State.

The Chinese Government, which had already stated, on November 17th, 1931, that "the ex-Emperor was kidnapped and escorted by the Japanese from the Japanese

concession in Tientsin to Mukden for the purpose of establishing a bogus Government with himself proclaimed as Emperor," repeatedly denounced the establishment of the so-called State "which from the very beginning, and at every subsequent stage of its development, had been created and maintained at the instigation and with the assistance of the Japanese military forces in Manchuria."

10. *Discussions of the Assembly.—Resolution of March 11th.—Decisions regarding the Time-limit for the Preparation of the Report under Article 15.*

Meanwhile the Assembly, continuing its examination of the dispute at Geneva, adopted, on March 11th, 1932, after a full discussion, the following resolution:

" I.

" The Assembly,

" Considering that the provisions of the Covenant are entirely applicable to the present dispute, more particularly as regards:

" (1) The principle of a scrupulous respect for treaties;

" (2) The undertaking entered into by Members of the League of Nations to respect and preserve as against external aggression the territorial integrity and existing political independence of all the Members of the League;

" (3) Their obligation to submit any dispute which may arise between them to procedures for peaceful settlement;

" Adopting the principles laid down by the acting President of the Council, M. Briand, in his declaration of December 10th, 1931;

" Recalling the fact that twelve Members of the Council again invoked those principles in their appeal to the Japanese Government on February 16th, 1932, when they declared 'that no infringement of the territorial integrity and no change in the political independence of any Member of the League brought about in disregard of Article 10 of the Covenant ought to be recognised as valid and effectual by Members of the League of Nations';

" Considering that the principles governing international relations and the peaceful settlement of disputes between Members of the League above referred to are in full harmony with the Pact of Paris, which is one of the corner-stones of the peace organisation of the world and under Article 2 of which 'the High Contracting Parties agree that the settlement or solution of all disputes or conflicts, of whatever nature and whatever origin they may be, which may arise among them shall never be sought except by pacific means';

" Pending the steps which it may ultimately take for the settlement of the dispute which has been referred to it:

" Proclaims the binding nature of the principles and provisions referred to above and declares that it is incumbent upon the Members of the

League of Nations not to recognise any situation, treaty or agreement which may be brought about by means contrary to the Covenant of the League of Nations or to the Pact of Paris.

" II.

" The Assembly,

" Affirming that it is contrary to the spirit of the Covenant that the settlement of the Sino-Japanese dispute should be sought under the stress of military pressure on the part of either party :

" Recalls the resolutions adopted by the Council on September 30th, and on December 10th, 1931, in agreement with the parties ;

" Recalls also its own resolution of March 4th, 1932, adopted in agreement with the parties, with a view to the definitive cessation of hostilities and the withdrawal of the Japanese forces ; notes that the Powers Members of the League of Nations having special interests in the Shanghai Settlements are prepared to give every assistance to this end, and requests those Powers, if necessary, to co-operate in maintaining order in the evacuated zone.

" III.

" The Assembly,

" In view of the request formulated on January 29th by the Chinese Government, invoking the application to the dispute of the procedure provided for in Article 15 of the Covenant of the League of Nations ;

" In view of the request formulated on February 12th by the Chinese Government that the dispute should be referred to the Assembly in conformity with Article 15, paragraph 9, of the Covenant and in view of the Council's decision of February 19th ;

" Considering that the whole of the dispute which forms the subject of the Chinese Government's request is referred to it and that it is under an obligation to apply the procedure of conciliation provided for in paragraph 3 of Article 15 of the Covenant and, if necessary, the procedure in regard to recommendations provided for in paragraph 4 of the same article :

" Decides to set up a Committee of nineteen members—namely, the President of the Assembly, who will act as Chairman of the Committee, the Members of the Council other than the parties to the dispute and six other Members to be elected by secret ballot.

" This Committee, exercising its functions on behalf of and under the supervision of the Assembly, shall be instructed :

" (1) To report as soon as possible on the cessation of hostilities and the conclusion of arrangements which shall render definitive the said cessation and shall regulate the withdrawal of the Japanese forces in conformity with the Assembly resolution of March 4th, 1932 ;

" (2) To follow the execution of the resolutions adopted by the Council on September 30th and December 10th, 1931 ;

" (3) To endeavour to prepare the settlement of the dispute in agreement with the parties, in accordance with Article 15, paragraph 3, of the Covenant, and to submit a statement to the Assembly ;

" (4) To propose, if necessary, that the Assembly submit to the Permanent Court of International Justice a request for an advisory opinion ;

" (5) To prepare if need be, the draft of the report provided for in Article 15, paragraph 4, of the Covenant ;

" (6) To propose any urgent measure which may appear necessary ;

" (7) To submit a first progress report to the Assembly as soon as possible and at latest on May 1st, 1932.

" The Assembly requests the Council to communicate to the Committee, together with any observations it may have to make, any documentation that it may think fit to transmit to the Assembly.

" The Assembly shall remain in session and its President may convene it as soon as he may deem this necessary."

On March 12th, the Government of the United States of America declared that the action of the Assembly would go far towards developing into terms of international law the principles of order and justice which underlay the Paris Pact and the League Covenant. The United States Government was especially gratified that the nations of the world were united on a policy not to recognise the validity of results attained in violation of the treaties in question, and this was a distinct contribution to international law and offered a constructive basis for peace.

On July 1st, 1932, having been informed that the report of the Commission of Enquiry could not be completed before September, the Assembly, after obtaining the consent of the two parties, decided to prolong, to the extent that might be strictly necessary, the time-limit of six months laid down in the Covenant for the preparation of its report.

In the letter addressed on June 24th to the representatives of China and Japan, proposing an extension of the time-limit laid down in the Covenant, the President of the Assembly said :

" . . . It is my duty to add that I have every confidence that the undertaking not to aggravate the situation entered into by the two parties before the Council and recorded by the latter on September 30th and December 10th (1931) in resolutions which retain their full executory force will be scrupulously observed. I am sure that you will agree with me that these resolutions will continue to be fully valid during the period for which the time-limit of six months may be extended. I would also refer you to the resolution which the Assembly adopted on March 11th, and in which it recalled the two resolutions of the Council."

After the adoption of the extension of the time-limit, the President referred to this passage of his letter and added :

"Such being the case, the decision just taken by the Assembly authorises me to declare that the parties must abstain from any action that might compromise the success of the work of the Commission of Enquiry or of any efforts the League may make with a view to a settlement.

"I would remind you also that, on March 11th, the Assembly proclaimed that it is incumbent upon the Members of the League of Nations not to recognise any situation, treaty or agreement which may be brought about by means contrary to the Covenant of the League of Nations or to the Pact of Paris."

II. *The Organisation of "Manchukuo."— Recognition of "Manchukuo" by Japan.*

Meanwhile the process of organising the Government of "Manchukuo" continued. The Government created a central bank and undertook the administration of the salt revenue (declaring its willingness to continue to pay an equitable proportion of the sums required for the service of the foreign loans secured on the receipts of the salt revenue), of the Customs (making a similar declaration as regards the loans and indemnities secured on the Customs revenue), of the postal services, etc.

A "Manchukuo" army was created with the assistance of Japanese officers engaged as advisers. In a communication dated April 8th, 1932, the Japanese Government announced that "the Japanese forces are at present providing the forces of the new Government in a friendly spirit with such assistance as they may need to restore and maintain order and tranquility."

According to the observations of the Japanese Government, dated November 18th, 1932, the presence of the Japanese troops in the country would "enable the principal bandit units to be wiped out within from two to three years."

The relations between Japan and the new State were defined after the dispatch to Changchun, capital of "Manchukuo," of General Muto, who, on August 8th, had been appointed Commander-in-Chief of the Kwantung Army and, at the same time, Ambassador Extraordinary and Plenipotentiary on Special Mission and Governor-General of Kwantung, in order to control the Consular service, the Government of the Leased Territory and all the Japanese forces in Manchuria. The new ambassador carried no credentials and the appointment was made unilaterally by Japan.

On September 15th, General Muto signed with the Prime Minister of "Manchukuo" a protocol containing the following provisions:

"Whereas Japan has recognised the fact that Manchukuo, in accordance with the free will of its inhabitants, has organised and established itself as an independent State, and,

"Whereas Manchukuo has declared its intention of abiding by all international engagements entered into by China in so far as they are applicable to Manchukuo;

"Now the Governments of Japan and Manchukuo have, for the purpose of establishing a perpetual relationship of good neighbourhood between Japan and Manchukuo, each respecting the territorial rights of the other, and also in order to secure the peace of the Far East, agreed as follows:

"(1) Manchukuo shall confirm and respect, in so far as no agreement to the contrary shall be made between Japan and Manchukuo in the future, all rights and interests possessed by Japan or her subjects within the territory of Manchukuo by virtue of Sino-Japanese treaties, agreements or other arrangements or of Sino-Japanese contracts, private as well as public;

"(2) Japan and Manchukuo, recognising that any threat to the territory or to the peace and order of the High Contracting Parties constitutes, at the same time, a threat to the safety and existence of the other, agree to co-operate in the maintenance of their national security, it being understood that such Japanese forces as may be necessary for this purpose shall be stationed in Manchukuo. "The present protocol shall come into effect from the date of its signature. . . ."

"Manchukuo" was thus formally recognised by Japan. The Chinese Government protested against this recognition. It represented that, "following the precedent of her policy in Korea, Japan has established a virtual protectorate over Manchuria as a step towards annexation."

12. *Consideration by the Council of the Report of the Commission of Enquiry.*

The report of the Commission of Enquiry was signed at Peiping on September 4th, 1932, and was communicated to the two Governments and to the Members of the League on October 1st. The Japanese Government asked for a minimum period of six weeks in which to communicate its observations upon it to the Council, and the Council decided on September 24th to begin its consideration of the report at latest on November 21st.

On this occasion, the President of the Council (the representative of the Irish Free State, Mr. de Valera) expressed regret—with which the Special Committee of the Assembly at its public meeting on October 1st associated itself—that, before even the publication of the Commission's report, Japan, not

only by recognising but also by signing a treaty with what was known as the "Manchukuo" Government, had taken steps which could not but be regarded as calculated to prejudice the settlement of the dispute. "For almost a year," Mr. de Valera said, "the Council in its collective capacity and the individual Governments which composed it had scrupulously refrained from uttering any word of judgment on the merits of this grave dispute on the grounds that a Commission had been set up to investigate the dispute in all its bearings and that, until that Commission had reported, and its report had been considered by the organs of the League, the whole question was still to be regarded as *sub judice*."

The Council, at meetings held from November 21st to 28th, 1932, considered the report of the Commission and the observations of the parties. In reply to a question by the President, Lord Lytton stated, on behalf of the Commission of Enquiry, that the latter did not wish to add anything to its report.

As regards the recommendations contained in the report, the Council noted that it was not able to find in the declarations of the Chinese and Japanese representatives any measure of agreement between the parties which would enable it usefully to engage in a discussion and to submit observations or suggestions to the Assembly.

In these circumstances, the Council merely transmitted to the Assembly the report of the Commission of Enquiry, the observations of the parties and the Minutes of its meetings.

13. Discussion of the Report of the Commission of Enquiry by the Assembly.—Attempt to Negotiate a Settlement.

The Assembly met on December 6th, 1932. After a general discussion it adopted, on December 9th, the following resolution:

"The Assembly,

"Having received the report of the Commission of Enquiry set up under the resolution adopted on December 10th, 1931, by the Council, together with the observations of the parties and the Minutes of the Council meetings held from November 21st to 28th, 1932;

"In view of the discussions which took place at its meetings from December 6th to 9th, 1932:

"Requests the Special Committee appointed under its resolution of March 11th, 1932:

"(1) To study the report of the Commission of Enquiry, the observations of the parties and the opinions and suggestions expressed in the Assembly, in whatever form they were submitted;

"(2) To draw up proposals with a view to the settlement of the dispute brought before it under the Council resolution dated February 19th, 1932;

"(3) To submit these proposals to the Assembly at the earliest possible moment."

The Special Committee of Nineteen drew up two draft resolutions and a statement of reasons indicating generally the basis on which it thought it possible to continue its endeavours to effect a settlement of the dispute.

These texts were as follows:

Draft Resolution No. 1.

"The Assembly,

"Recognising that, according to the terms of Article 15 of the Covenant, its first duty is to endeavour to effect a settlement of the dispute, and that consequently it is not at present called upon to draw up a report stating the facts of the dispute and its recommendations in regard thereto;

"Considering that, by its resolution of March 11th, 1932, it laid down the principles determining the attitude of the League of Nations in regard to the settlement of the dispute;

"Affirms that in such a settlement the provisions of the Covenant of the League of Nations, the Pact of Paris and the Nine-Power Treaty must be respected;

"Decides to set up a Committee whose duty will be to conduct, in conjunction with the parties, the negotiations with a view to a settlement, on the basis of the principles set out in Chapter IX of the report of the Commission of Enquiry, and having regard to the suggestions made in Chapter X of that report;

"Appoints, to form a Committee, the Members of the League represented on the Special Committee of Nineteen;

"Considering it desirable that the United States of America and the Union of Soviet Socialist Republics should consent to take part in the negotiations, entrusts to the above-mentioned Committee the duty of inviting the Governments of the United States of America and the Union of Soviet Socialist Republics to take part in these negotiations;

"Authorises it to take such measures as it may deem necessary for the successful execution of its mission;

"Requests the Committee to report on its work before March 1st, 1933.

"The Committee will have power to fix, in agreement with the two parties, the time-limit referred to in the Assembly resolution of July 1st, 1932; should the two parties fail to agree on the duration of such a time-limit, the Committee will, simultaneously with the presentation of its report, submit proposals to the Assembly on the subject.

"The Assembly shall remain in session, and its President may convene it as soon as he may deem this necessary."

Draft Resolution No. 2.

"The Assembly thanks the Commission of Enquiry appointed in virtue of the Council's

resolution of December 10th, 1931, for the valuable assistance it has afforded to the League of Nations and declares that its report will stand as an example of conscientious and impartial work."

Statement of Reasons.

"The Assembly, in its resolution of December 9th, 1932, requested its Special Committee:

"(1) To study the report of the Commission of Enquiry, the observations of the parties, and the opinions and suggestions expressed in the Assembly, in whatever form they were submitted;

"(2) To draw up proposals with a view to the settlement of the dispute brought before it under the Council resolution dated February 19th, 1932;

"(3) To submit these proposals to the Assembly at the earliest possible moment."

"If the Committee had had to lay before the Assembly a picture of events and an appreciation of the general situation, it would have found all the elements necessary for such a statement in the first eight chapters of the report of the Commission of Enquiry, which, in its opinion, constitute a balanced, impartial and complete statement of the principal facts.

"But the time has not come for such a statement. In accordance with Article 15, paragraph 3, of the Covenant, the Assembly must first of all endeavour to effect a settlement of the dispute by conciliation, and, if such efforts are successful, it shall publish a statement giving such facts as it may deem appropriate. If it fails, it is its duty, in virtue of paragraph 4 of the same article, to make a statement of the facts of the dispute and recommendations in regard thereto.

"So long as the efforts on the basis of Article 15, paragraph 3, are continued, a sense of the responsibilities placed on the Assembly in the various contingencies provided for in the Covenant obliges it to maintain a particular reserve. Hence, the Committee has confined itself, in the draft resolution which it is to-day submitting to the Assembly, to making proposals with a view to conciliation.

"By the Assembly's resolution of March 11th, the Special Committee was instructed to endeavour to prepare the settlement of the dispute in agreement with the parties. Since, on the other hand, it is desirable that the United States of America and the Union of Soviet Socialist Republics should join in the efforts made in collaboration with the representatives of the parties, it is proposed that the Governments of these two countries should be invited to take part in the negotiations.

"In order to avoid misunderstandings, and to make it plain that what is contemplated at the present stage with the co-operation of two countries not Members of the League is solely the negotiation of a settlement by conciliation, the Special Committee suggests that it should be regarded for this purpose as a new Committee responsible for conducting negotiations and should be authorised in this capacity to invite the Governments of the United States of America and the Union of Soviet Socialist Republics to take part in its meetings.

"The Negotiations Committee will have all the powers necessary for the execution of its mission. In particular, it may consult experts. It may, if it thinks fit, delegate part of its powers to one or more sub-committees, or to one or more particularly qualified persons.

"The members of the Negotiations Committee will be guided as regards matters of law by Parts I and II of the Assembly resolution of March 11th, 1932, and, as regards matters of fact, by the findings set out in the first eight chapters of the report of the Commission of Enquiry. As regards the solutions to be considered, they will seek them on the basis of the principles set out in Chapter IX of the report of the Commission of Enquiry and having regard to the suggestions made in Chapter X of the said report.

"In this connection, the Committee of Nineteen considers that, in the special circumstances which characterise the dispute, a mere return to the conditions previous to September 1931, would not suffice to ensure a durable settlement, and that the maintenance and recognition of the present régime in Manchuria could not be regarded as a solution."

On December 15th, the two draft resolutions and the statement of reasons were submitted to the parties. The Chinese and Japanese delegations proposed amendments and the President of the Committee and the Secretary-General were authorised to enter into conversations with them. On December 20th, the Committee decided to adjourn until January 16th, 1933, at latest, in order to enable the conversations to continue.

14. Japanese Military Operations at Shanhaikwan within the Great Wall.

Early in January 1933 occurred the serious incidents at Shanhaikwan. Situated at the extremity of the Great Wall, halfway between Peiping and Mukden, this city has always been regarded as of great strategic importance. It is on the route followed by invaders who, coming from Manchuria, wish to penetrate into what is now the province of Hopei. Moreover, from Hopei is the easiest route into Jehol, a province which Japan regards as forming part of "Manchukuo." It was from the north of Hopei that, according to Japanese communications, Marshal Chang Hsueh-liang was sending considerable forces into Jehol and that, according to Chinese communications, the Japanese army intended to begin large-scale operations in Jehol.

A Japanese communication of December 29th, 1932, reported that during the last few days the mobilisation of Chinese troops directed against Jehol was especially marked. The Japanese delegation further stated on January 4th, 1933, that the

Japanese authorities at Peiping had vainly endeavoured to persuade General Chang to stop this movement of forces, and that in these circumstances of "tension and anxiety" an incident had occurred at Shanhaikwan on the night of January 1st-2nd.

Units of the Japanese army of Kwantung passed the Great Wall and the town was attacked. It was occupied on January 3rd.

The Chinese Government asserts that, during this operation, thousands of peaceful citizens were slaughtered. It addressed a protest on January 11th to the Powers signatories of the Protocol of 1901 against the unlawful advantage taken by Japan of a special privilege claimed under the Protocol. It declared that it could not assume any responsibility for a situation resulting from the exercise by Chinese defensive forces of their legitimate right to resist the aggressive acts of the Japanese troops.

15. *Failure of the Procedure for Negotiating a Settlement.*

The Committee of Nineteen met again on January 16th, 1933. It noted that, though the conversations with the representatives of the parties concerning the draft resolutions and the statement of reasons framed by it had continued, no new proposal had been received apart from the amendments submitted in December by the Chinese and Japanese delegations. The Japanese delegation, however, had stated that it was in communication with its Government regarding new proposals which would be submitted within forty-eight hours.

The Committee received these proposals on January 18th. It noted that they differed in several fundamental points from those which it had communicated to the parties on December 15th. As, however, the Japanese delegation, when submitting the new proposals of its Government, had specially emphasised that the latter attached great importance to the stipulation that the body to be appointed for the settlement of the dispute should include only Members of the League, the Committee of Nineteen felt that, if this were the only objection raised by Japan to the texts which had been communicated, it should not be impossible to settle the question in consultation with the parties. It therefore asked for supplementary information, particularly on the point whether, if this difficulty were overcome, Japan would be prepared to accept the draft resolution No. 1 of December 15th. The Committee thought it should await the

Japanese reply on this point before continuing its conversations with the Chinese delegation, whose proposals did not differ so fundamentally as those of Japan from the texts communicated to the two parties.

On January 21st, the Committee noted that the effects of the statements made by the Japanese delegate to its Chairman and to the Secretary-General was that the Japanese Government was not prepared to accept draft resolution No. 1, even if the provision that non-Member States be invited to participate in the negotiations for a settlement were eliminated from the draft.

The Japanese delegation, in making these statements, had submitted new proposals on behalf of its Government.

The Committee, after examining these proposals, together with the amendments submitted by the Chinese delegation to the Committee's texts of December 15th, could do no more than note that it was impossible to frame a draft resolution acceptable to the two parties. The importance attached by the Chinese delegation and by the Committee itself to the participation of the United States of America and of the Union of Soviet Socialist Republics in the negotiation of a settlement made it impossible to eliminate at the sole request of Japan the provision concerning the invitation to those States, if the Committee must at the same time modify in the sense of the Japanese proposals the other provisions of draft resolution No. 1.

The Committee further noted that, even if it agreed to transform the statement of reasons into a declaration made by the Chairman on behalf of the Committee, to which the parties would be free to submit reservations, the Japanese Government did not accept the text established by the Committee on December 15th, but asked, in its new proposals, that important amendments to the text should be made which the Committee could not accept.

In view of this situation, the Committee of Nineteen noted that, after endeavouring to prepare, in accordance with the mission entrusted to it, the settlement of the dispute in agreement with the parties, it appeared to it to be impossible to submit proposals to that effect to the Assembly.

The Committee, therefore, in execution of the task entrusted to it under Part III (paragraph 5) of the resolution of March 11th, 1932, has prepared the present draft report as contemplated in Article 15, paragraph 4, of the Covenant.

In deciding to begin the preparation of this draft report, the Committee did not fail to point out that the Assembly was alone competent to apply, after the failure of the negotiations, the provisions of Article 15, paragraph 4. The Committee therefore remained at the disposal of the parties for any further proposals they might desire to communicate to it.

On February 8th, the Japanese representative submitted to the Committee further amendments to the text prepared on December 15th. On February 9th, the Committee, after considering these amendments, deemed it desirable to ask for further information in regard thereto, in particular whether the Japanese Government accepted as one of the bases for the contemplated conciliation Principle 7 in Chapter IX of the report of the Commission of Enquiry regarding the establishment in Manchuria of a large measure of autonomy consistent with the sovereignty and administrative integrity of China. This question was sub-

mitted to the Japanese delegation in a letter of the same date.

The Japanese Government replied on February 14th that it was convinced that the maintenance and recognition of the independence of "Manchukuo" were the only guarantee of peace in the Far East, and that the whole question would eventually be solved between Japan and China on that basis. In reply to this communication the Committee, to its deep regret, felt bound to hold that the Japanese proposals put forward on February 8th did not afford an acceptable basis for conciliation. It added that it was, of course, willing to examine up to the date of the final meeting of the Assembly any further proposals which the Japanese Government might wish to make, but that it was sure that the Japanese delegation would realise that any aggravation of the existing situation must render more difficult, if not indeed frustrate, further efforts at conciliation.

On the same date the Committee adopted the draft of the present report.

PART III.

CHIEF CHARACTERISTICS OF THE DISPUTE.

It will be seen from this review that for more than sixteen months the Council or Assembly has continuously tried to find a solution for the Sino-Japanese dispute. Numerous resolutions have been adopted based on various articles of the Covenant and other international agreements. The complexity, to which reference has already been made, of the historical background of the events; the special legal situation of Manchuria, where Japan, as will be noted later, exercised within Chinese territory extensive rights; finally, the involved and delicate relations existing in fact between the Chinese and Japanese authorities in certain parts of Manchuria justified and rendered necessary the prolonged efforts of negotiation and enquiry made by the League. However, the hopes entertained by the Council and the Assembly of an improvement in the situation, arising from the declarations of the parties and the resolutions adopted with their participation, were disappointed. The situation, on the contrary, tended to grow constantly worse. In Manchuria, or other parts of the territory of a Member of the League, military operations, which the report of the Commission of Enquiry has described as "war in disguise," continued and still continue.

Having considered the principal features of the dispute, the Assembly has reached, in particular, the following conclusions and noted the following facts:

1. The dispute between China and Japan which is submitted to the Assembly originated in Manchuria, which China and foreign Powers have always regarded as an integral part of China under Chinese sovereignty. In its observations on the report of the Commission of Enquiry, the Japanese Government contests the argument that the rights conferred on Russia and subsequently acquired by Japan "in the extremely limited area known as the Southern Manchuria Railway zone" conflict with Chinese sovereignty. "They were, on the contrary, derived from the sovereignty of China."

The rights conferred by China on Russia and subsequently on Japan derive from the sovereignty of China. Under the Treaty of Peking in 1905, "the Imperial Chinese Government consented to all the transfers and assignments made by Russia to Japan" under the Treaty of Portsmouth. In 1915, it was to China that Japan addressed demands

for the extension of her rights in Manchuria and it was with the Government of the Chinese Republic that, following on these demands, the Treaty of May 25th, 1915, was concluded concerning South Manchuria and Eastern Inner Mongolia. At the Washington Conference, the Japanese delegation stated, on February 2nd, 1922, that Japan renounced certain preferential rights in South Manchuria and Eastern Inner Mongolia and explained that, "in coming to this decision, Japan had been guided by a spirit of fairness and moderation, having always in view China's sovereign rights and the principle of equal opportunity." The Nine-Power Treaty, concluded at the Washington Conference, applies to Manchuria as to every other part of China. Finally, during the first phase of the present conflict, Japan never argued that Manchuria was not an integral part of China.

2. Past experience shows that those who control Manchuria exercise a considerable influence on the affairs of the rest of China—at least of North China—and possess unquestionable strategic and political advantages. To cut off these provinces from the rest of China cannot but create a serious irredentist problem likely to endanger peace.

3. The Assembly, in noting these facts, is not unmindful of the tradition of autonomy existing in Manchuria. That tradition, in one extreme case, and in a period of particular weakness on the part of the Central Government of China, made it possible, for instance, for the plenipotentiaries of Marshal Chang Tso-lin to conclude, in the name of the "Government of the autonomous three Eastern Provinces of the Republic of China," the agreement of September 20th, 1924, with the Union of Soviet Socialist Republics concerning the Chinese Eastern Railway, navigation, the delimitation of frontiers, etc. It is obvious from the provisions of that agreement, however, that the Government of the autonomous three Eastern Provinces did not regard itself as the Government of a State independent of China, but believed that it might itself negotiate with the Union of Soviet Socialist Republics on questions affecting the interests of China in the three provinces, though the Central Government had, a few months previously, concluded an agreement on these questions with the self-same Power.

This autonomy of Manchuria was also shown by the fact that, first, Marshal Chang Tso-lin and later Marshal Chang

Hsueh-liang were the heads both of the civil and military administration and exercised the effective power in the three provinces through their armies and their officials. The independence proclaimed by Marshal Chang Tso-lin at different times never meant that either he or the people of Manchuria wished to be separated from China. His armies did not invade China as if it were a foreign country but merely as participants in the civil war. Through all its wars and periods of "independence," Manchuria remained an integral part of China. Further, since 1928, Marshal Chang Hsueh-liang has recognised the authority of the Chinese National Government.

4. During the quarter of a century ending in September 1931, the political and economic ties uniting Manchuria with the rest of China grew stronger, while, at the same time, the interests of Japan in Manchuria did not cease to develop. Under the Chinese Republic, the "three Eastern Provinces" constituting Manchuria were thrown wide to the immigration of Chinese from the other provinces who, by taking possession of the land, have made Manchuria in many respects a simple extension of China north of the Great Wall. In a population of about 30 millions, it is estimated that the Chinese or assimilated Manchus number 28 millions. Moreover, under the administration of Marshals Chang Tso-lin and Chang Hsueh-liang, the Chinese population and Chinese interests have played a much more important part than formerly in the development and organisation of the economic resources of Manchuria.

On the other hand, Japan had acquired or claimed in Manchuria rights the effect of which was to restrict the exercise of sovereignty by China in a manner and to a degree quite exceptional. Japan governed the leased territory of Kwantung, exercising therein what amounted in practice to full sovereignty. Through the medium of the South Manchuria Railway, she administered the railway zones, including several towns and important parts of populous cities, such as Mukden and Changchun. In these areas, she had control of the police, taxes, education, and public utilities. She maintained armed forces in certain parts of the country: the army of Kwantung in the leased territory; railway guards in the railway zones; consular police in the various districts. Such a state of affairs might perhaps have continued without leading to complications and incessant

disputes if it had been freely desired or accepted by both parties and if it had been the expression and manifestation of a well-understood policy of close economic and political co-operation. But, in the absence of such conditions, it was bound to lead to mutual misunderstandings and conflicts. The interconnection of respective rights, the uncertainty at times of the legal situation, the increasing opposition between the conception held by the Japanese of their "special position" in Manchuria, and the claims of Chinese nationalism were a further source of numerous incidents and disputes.

5. Before September 18th, 1931, each of the two parties had legitimate grievances against the other in Manchuria, Japan taking advantage of rights open to question and the Chinese authorities putting obstacles in the way of the exercise of rights which could not be contested. During the period immediately preceding the events of September 18th, various efforts were made to settle the questions outstanding between the two parties by the normal method of diplomatic negotiations and pacific means, and these means had not been exhausted. Nevertheless, the tension between Chinese and Japanese in Manchuria increased, and a movement of opinion in Japan advocated the settlement of all outstanding questions—if necessary, by force.

6. The present period of transition and national reconstruction in China, despite the efforts of the Central Government and the considerable progress already achieved, necessarily involves political disturbances, social disorder, and disruptive tendencies inseparable from a state of transition. It calls for the employment of a policy of international co-operation. One of the methods of that policy would be that the League of Nations would continue to afford China the technical assistance in modernising her institutions which her Government might request with a view to enabling the Chinese people to reorganise and consolidate the Chinese State.

The full application of the policy of international co-operation initiated at the Washington Conference, the principles of which are still valid, has been delayed, chiefly by the violence of the anti-foreign propaganda carried on in China from time to time. In two respects—the use of the economic boycott and anti-foreign teaching in schools—this propaganda has been pushed to such lengths that it has contributed to

creating the atmosphere in which the present dispute broke out.

7. The use of the boycott by the Chinese previous to the events of September 18th, 1931, to express their indignation at certain incidents or to support certain claims could not fail to make a situation which was already tense still more tense.

The use of the boycott by China, subsequent to the events of September 18th, 1931, falls under the category of reprisals.

8. The object of the provisions of the Covenant of the League of Nations regarding the settlement of disputes is to prevent the tension between nations becoming such that a rupture appears to be inevitable. The Commission of Enquiry found that each of the issues between China and Japan was in itself capable of settlement by arbitral procedure. It is precisely because the accumulation of these issues increased the tension between the two nations that it was incumbent on the nation which regarded itself as injured to draw the attention of the League of Nations to the situation when diplomatic negotiations were unduly protracted.

Article 12 of the Covenant contains formal obligations as regards the pacific settlement of disputes.

9. Without excluding the possibility that, on the night of September 18th-19th, 1931, the Japanese officers on the spot may have believed that they were acting in self-defence, the Assembly cannot regard as measures of self-defence the military operations carried out on that night by the Japanese troops at Mukden and other places in Manchuria. Nor can the military measures of Japan as a whole, developed in the course of the dispute, be regarded as measures of self-defence. Moreover, the adoption of measures of self-defence does not exempt a State from complying with the provisions of Article 12 of the Covenant.

10. Since September 18th, 1931, the activities of the Japanese military authorities, in civil as well as in military matters, have been marked by essentially political considerations. The progressive military occupation of the Three Eastern Provinces removed in succession all the important towns in Manchuria from the control of the Chinese authorities, and, following each occupation, the civil administration was reorganised. A group of Japanese civil and military officials conceived, organised, and carried

through the Manchurian independence movement as a solution to the situation in Manchuria as it existed after the events of September 18th, and, with this object, made use of the names and actions of certain Chinese individuals and took advantage of certain minorities and native communities that had grievances against the Chinese administration. This movement, which rapidly received assistance and direction from the Japanese General Staff, could only be carried through owing to the presence of the Japanese troops. It cannot be considered as a spontaneous and genuine independence movement.

11. The main political and administrative power in the "Government" of "Manchukuo," the result of the movement described in the previous paragraph, rests in the hands of Japanese officials and advisers, who are in a position actually to direct and control the administration; in general, the Chinese in Manchuria, who, as already mentioned form the vast majority of the population, do not support this "Government" and regard it as an instrument of the Japanese. It should also be noted that, after the Commission of Enquiry completed its report and before the report was considered by the Council and the Assembly, "Manchukuo" was recognised by Japan. It has not been recognised by any other State, the Members of the League in particular being of opinion that such recognition was incompatible with the spirit of the resolution of March 11th, 1932.

* * *

The situation which led up to the events of September 18th, 1931, presents certain special features. It was subsequently aggravated by the development of the Japanese military operations, the creation of the "Manchukuo Government" and the recognition of that "Government" by Japan. Undoubtedly the present case is not that of a country which has declared war on another country without previously exhausting the opportunities for conciliation provided in the Covenant of the League of Nations; neither is it a simple case of the violation of the frontier of one country by the armed forces of a neighbouring country, because in Manchuria, as shown by the circumstances noted above, there are many features without an exact parallel in other parts of the world. It is, however, indisputable that, without any declaration of war, a large part of Chinese territory has been forcibly seized

creating the atmosphere in which the present dispute broke out.

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and occupied by Japanese troops and that, in consequence of this operation, it has been separated from and declared independent of the rest of China.

The Council, in its resolution of September 30th, 1931, noted the declaration of the Japanese representative that his Government would continue, as rapidly as possible, the withdrawal of its troops, which had already been begun, into the railway zone in proportion as the safety of the lives and property of Japanese nationals was effectively ensured, and that it hoped to carry out this intention in full as speedily as might be. Further, in its resolution of December 10th, 1931, the Council, re-affirming its resolution of September 30th, noted the undertaking of the two parties to adopt all measures necessary to avoid any further aggravation of the situation and to refrain from any initiative which might lead to further fighting and loss of life.

It should be pointed out in connection with these events that, under Article 10 of the Covenant, the Members of the League undertake to respect the territorial integrity and existing political independence of all Members of the League.

Lastly, under Article 12 of the Covenant, the Members of the League agree that, if there should arise between them any dispute likely to lead to a rupture, they will submit the matter either to arbitration or judicial settlement or to enquiry by the Council.

While at the origin of the state of tension that existed before September 18th, 1931, certain responsibilities would appear to lie on one side and the other, no question of Chinese responsibility can arise for the development of events since September 18th, 1931.

PART IV

STATEMENT OF THE RECOMMENDATIONS.

This part sets forth the recommendations which the Assembly deems just and proper in regard to the dispute.

SECTION I.

The recommendations of the Assembly take into account the very special circumstances of this case and are based on the following principles, conditions and considerations:

(a) The settlement of the dispute should observe the provisions of the Covenant of the League, the Pact of Paris, and the Nine-Power Treaty of Washington.

Article 10 of the Covenant of the League provides that "the Members of the League undertake to respect and preserve as against external aggression the territorial integrity and existing political independence of all Members of the League."

According to Article II of the Pact of Paris, "the High Contracting Parties agree that the settlement or solution of all disputes or conflicts of whatever nature, or of whatever origin they may be, which may arise among them, shall never be sought except by pacific means."

According to Article 1 of the Nine-Power Treaty of Washington, "the Contracting Powers, other than China, agree to respect the sovereignty, the independence, and the territorial and administrative integrity of China."

(b) The settlement of the dispute should observe the provisions of Parts I and II of the Assembly resolution of March 11th, 1932.

In that resolution, which has already been quoted in this report, the Assembly considered that the provisions of the Covenant were entirely applicable to the present dispute, more particularly as regards:

(1) The principle of a scrupulous respect for treaties;

(2) The undertaking entered into by Members of the League of Nations to respect and preserve as against external aggression the territorial integrity and existing political independence of all the Members of the League;

(3) Their obligation to submit any dispute which may arise between them to procedures for peaceful settlement.

The Assembly has adopted the principles laid down by the President-in-Office of the Council in his declaration of December 10th, 1931, and has recalled the fact that twelve Members of the Council had again invoked those principles in their appeal to the Japanese Government on February 16th, 1932, when they declared that no infringement of the territorial integrity and no change in the political independence of any Member of the League brought about in disregard of Article 10 of the Covenant ought to be recognised as valid and effectual by Members of the League.

The Assembly has stated its opinion that the principles governing international relations and the peaceful settlement of disputes between Members of the League above referred to are in full harmony with the

Pact of Paris. Pending the steps which it might ultimately take for the settlement of the dispute which had been referred to it, it has proclaimed the binding nature of the principles and provisions referred to above and declared that it was incumbent upon the Members of the League not to recognise any situation, treaty or agreement which might be brought about by means contrary to the Covenant of the League of Nations or to the Pact of Paris.

Lastly, the Assembly has affirmed that it is contrary to the spirit of the Covenant that the settlement of the Sino-Japanese dispute should be sought under the stress of military pressure on the part of either party, and has recalled the resolutions adopted by the Council on September 30th and December 10th, 1931, in agreement with the parties.

(c) In order that a lasting understanding may be established between China and Japan on the basis of respect for the international undertakings mentioned above, the settlement of the dispute must conform to the principles and conditions laid down by the Commission of Enquiry in the following terms:

" 1. *Compatibility with the interests of both China and Japan.*

" Both countries are Members of the League and each is entitled to claim the same consideration from the League. A solution from which both did not derive benefit would not be a gain to the cause of peace.

" 2. *Consideration for the interests of the Union of Soviet Socialist Republics.*

" To make peace between two of the neighbouring countries without regard for the interests of the third would be neither just nor wise, nor in the interests of peace.

" 3. *Conformity with existing multilateral treaties.*

" Any solution should conform to the provisions of the Covenant of the League of Nations, the Pact of Paris, and the Nine-Power Treaty of Washington.

" 4. *Recognition of Japan's interests in Manchuria.*

" The rights and interests of Japan in Manchuria are facts which cannot be ignored, and any solution which failed to recognise them and to take into account also the historical associations of Japan

with that country would not be satisfactory.

" 5. *The establishment of new treaty relations between China and Japan.*

" A restatement of the respective rights, interests and responsibilities of both countries in Manchuria in new treaties, which shall be part of the settlement by agreement, is desirable if future friction is to be avoided and mutual confidence and co-operation are to be restored.

" 6. *Effective provision for the settlement of future disputes.*

" As a corollary to the above, it is necessary that provision should be made for facilitating the prompt settlement of minor disputes as they arise.

" 7. *Manchurian autonomy.*

" The Government in Manchuria should be modified in such a way as to secure, consistently with the sovereignty and administrative integrity of China, a large measure of autonomy designed to meet the local conditions and special characteristics of the Three Provinces. The new civil regime must be so constituted and conducted as to satisfy the essential requirements of good government.

" 8. *Internal order and security against external aggression.*

" The internal order of the country should be secured by an effective local gendarmerie force, and security against external aggression should be provided by the withdrawal of all armed forces other than gendarmerie, and by the conclusion of a treaty of non-aggression between the countries interested.

" 9. *Encouragement of an economic rapprochement between China and Japan.*

" For this purpose a new commercial treaty between the two countries is desirable. Such a treaty should aim at placing on an equitable basis the commercial relations between the two countries and bringing them into conformity with their improved political relations.

" 10. *International co-operation in Chinese reconstruction.*

" Since the present political instability in China is an obstacle to friendship with Japan and an anxiety to the rest of the world (as the maintenance of peace in the Far East is a matter of international

concern), and since the conditions enumerated above cannot be fulfilled without a strong Central Government in China, the final requisite for a satisfactory solution is temporary international co-operation in the internal reconstruction of China, as suggested by the late Dr. Sun Yat-sen."

SECTION II.

The provisions of this section constitute the recommendations of the Assembly under Article 15, paragraph 4, of the Covenant.

Having defined the principles, conditions and considerations applicable to the settlement of the dispute,

THE ASSEMBLY RECOMMENDS AS FOLLOWS :

1. Whereas the sovereignty over Manchuria belongs to China,

A. Considering that the presence of Japanese troops outside the zone of the South Manchuria Railway and their operations outside this zone are incompatible with the legal principles which should govern the settlement of the dispute, and that it is necessary to establish as soon as possible a situation consistent with these principles,

The Assembly recommends the evacuation of these troops. In view of the special circumstances of the case, the first object of the negotiations recommended hereinafter should be to organise this evacuation and to determine the methods, stages and time-limits thereof.

B. Having regard to the local conditions special to Manchuria, the particular rights and interests possessed by Japan therein, and the rights and interests of third States,

The Assembly recommends the establishment in Manchuria, within a reasonable period, of an organisation under the sovereignty of, and compatible with the administrative integrity of, China. This organisation should provide a wide measure of autonomy, should be in harmony with local conditions and should take account of the multilateral treaties in force, the particular rights and interests of Japan, the rights and interests of third States, and, in general, the principles and conditions reproduced in Section I (c) above; the determination of the respective powers of and relations between the Chinese Central Government and the local authorities should be made the subject of a Declaration by the Chinese Government having the force of an international undertaking.

2. Whereas, in addition to the questions dealt with in the two recommendations 1A

and 1B, the report of the Commission of Enquiry mentions in the principles and conditions for a settlement of the dispute set out in Section I (c) above certain other questions affecting the good understanding between China and Japan, on which peace in the Far East depends,

The Assembly recommends the parties to settle these questions on the basis of the said principles and conditions.

3. Whereas the negotiations necessary for giving effect to the foregoing recommendations should be carried on by means of a suitable organ,

The Assembly recommends the opening of negotiations between the two parties in accordance with the method specified hereinafter.

Each of the parties is invited to inform the Secretary-General whether it accepts, so far as it is concerned, the recommendations of the Assembly, subject to the sole condition that the other party also accepts them.

The negotiations between the parties should take place with the assistance of a Committee set up by the Assembly as follows: The Assembly hereby invites the Governments of Belgium, Great Britain, Canada, Czechoslovakia, France, Germany, the Irish Free State, Italy, The Netherlands, Portugal, Spain and Turkey each to appoint a member of the Committee as soon as the Secretary-General shall have informed them that the two parties accept the Assembly's recommendations. The Secretary-General shall also notify the Governments of the United States of America and of the Union of Soviet Socialist Republics of this acceptance and invite each of them to appoint a member of the Committee should it so desire. Within one month after having been informed of the acceptance of the two parties, the Secretary-General shall take all suitable steps for the opening of negotiations.

In order to enable the Members of the League, after the opening of negotiations, to judge whether each of the parties is acting in conformity with the Assembly's recommendations:

(a) The Committee will, whenever it thinks fit, report on the state of the negotiations, and particularly on the negotiations with regard to the carrying out of recommendations 1A and B above; as regards recommendation 1A, the Committee will in any case report within three months of the opening of negotiations. These reports shall be communicated by the Secretary-General to the

Members of the League and to the non-member States represented on the Committee ;

(b) The Committee may submit to the Assembly all questions relating to the interpretation of Section II of Part IV of the present report. The Assembly shall give this interpretation in the same conditions as those in which the present report is adopted, in conformity with Article 15, paragraph 10, of the Covenant.

SECTION III.

In view of the special circumstances of the case, the recommendations made do not provide for a mere return to the *status quo* existing before September, 1931. They likewise exclude the maintenance and recognition of the existing regime in Manchuria, such maintenance and recognition being incompatible with the fundamental principles of existing international obligations and with the good understanding between the two countries on which peace in the Far East depends.

It follows that, in adopting the present report, the Members of the League intend to abstain, particularly as regards the existing regime in Manchuria, from any act which might prejudice or delay the carrying out of the recommendations of the said report.

They will continue not to recognise this regime either *de jure* or *de facto*. They intend to abstain from taking any isolated action with regard to the situation in Manchuria and to continue to concert their action among themselves as well as with the interested States not members of the League. As regards the Members of the League who are signatories of the Nine-Power Treaty, it may be recalled that, in accordance with the provisions of that Treaty: "Whenever a situation arises which, in the opinion of any one of them, involves the application of the stipulations of the present Treaty and renders desirable discussion of such application, there shall be full and frank communication between the contracting Powers concerned."

In order to facilitate as far as possible the establishment in the Far East of a situation in conformity with the recommendations of the present report, the Secretary-General is instructed to communicate a copy of this report to the States non-members of the League who are signatories of the Pact of Paris or of the Nine-Power Treaty, informing them of the Assembly's hope that they will associate themselves with the views expressed in the report, and that they will, if necessary, concert their action and their attitude with the Members of the League.

[*After the word of should be inserted the words or have acceded to.]